

MINUTES OF THE MEETING
OF THE
BOARD OF MUNICIPAL UTILITIES
OF THE
CITY OF SIKESTON, MISSOURI
HELD ON THE EIGHTH DAY OF OCTOBER, 2019

On the eighth day of October, 2019 the Board of Municipal Utilities met in Regular Session at 4:00 P.M. in the Board Room at the Utility office. The following members of the body were present:

Messrs: Brian Menz, Tim Merideth, Jon Gilmore, Alan Keenan

Absent:

Also Present: Gerald Settles, City Council; Rick Landers, Utility Manager; Marcia Witt, Jeff Winders, Mark McGill, Doug Shaw, Ron Priday, Erin Miller of the Utility Staff

There being a quorum present, the following business was transacted:

Action on Agenda

Election of officers. Alan Keenan nominated Brian Menz for Chairman, Tim Merideth for Vice Chairman, Jon Gilmore for Secretary and Alan Keenan for Assistant Secretary.

A roll call vote was held as follows, Merideth, Gilmore, Menz, Keenan "Yes" The election of officers was concluded.

Action on Monthly Agenda Items

The Chairman asked for a motion to approve the minutes of the Regular Meeting of September 10, 2019. A motion was made by Alan Keenan and seconded by Jon Gilmore. A roll call vote was held as follows. Keenan, Menz, Merideth, Gilmore "Yes". The minutes were approved as presented.

The Chairman asked for a motion to approve the minutes of the Special Meeting of September 19, 2019. A motion was made by Alan Keenan and seconded by Jon Gilmore. A roll call vote was held as follows. Keenan, Menz, Merideth, Gilmore "Yes". The minutes were approved as presented.

Financial

Finance Manager Marcia Witt presented the financials for August 2019. The electric retail department had net income of \$601,955. Electric Wholesale had net income of \$836,478. The Water Department had a net income of \$32,777. The Sewer Department had a net loss of \$22,583. The sewer lagoon had a net loss of \$1,405. Witt reviewed significant expenses for each department.

A motion to approve the report was made by Tim Merideth and was seconded by Jon Gilmore. The following roll call vote was held. Keenan, Gilmore, Merideth, Menz "Yes". The report of the Financial Department was approved.

Retail Operations

Operations Manager Jeff Winders presented the retail operations report.

Electrical crews worked on normal maintenance and pole replacements. Winders reported delivery of the 161kV breaker is scheduled for October 15. The transformer for NE Substation is tentatively set to ship at the end of October.

Winders reported maximum water usage for the month at 4.399 MGD. He also updated the Board on the status of various DNR issues and permits. Water and sewer crews are doing maintenance on leaks and fire hydrants. The North Wastewater Plant pipe replacement project is ongoing.

Waters Engineering is working on the design and scope of work for the new water plant. A design meeting with Waters was held on October 7, 2019. Design work is progressing well.

A motion was made by Tim Merideth to approve the Retail Operations Report. The motion was seconded by Jon Gilmore and the following roll call vote was held, Merideth, Menz, Gilmore, Keenan "Yes". The Retail Operations Department Report was approved.

Sikeston Power Station

Mark McGill presented the report from the Sikeston Power Station for August, 2019.

McGill reported no outages or derates in August. The net capacity factor for the month was 86%.

McGill reported on the status of the MATS and MATS LEE testing. He also noted that plans are being made to bring the unit down on October 9, 2019 for pulverizer inspection and to repair a tube leak. Discussion followed on tube leaks, the age of the tubes and how long a tube typically will last.

McGill reported two trains are currently running. He reviewed the coal stockpile estimates and daily coal usage. We currently have 92,000 tons on the ground which is a 28-day

supply.

McGill reported the status of current projects.

A motion was made by Jon Gilmore to approve the SPS Report. The motion was seconded by Tim Merideth and the following roll call vote was held, Keenan, Menz, Merideth, Gilmore “Yes”. The Report for the Sikeston Power Station was approved.

AMI Installation Bids

On September 18, 2019 four bids were received for installation of electric and water meters for the new Automated Metering Infrastructure system. After analysis of the bids the BMU staff determined the bid submitted by Anixter to be the lowest, best bid and recommended acceptance of this bid.

A motion was made by Alan Keenan to approve the bid of Anixter. The motion was seconded by Jon Gilmore and the following roll call vote was held, Gilmore, Merideth, Menz, Keenan “Yes”. The motion was approved.

Economic Development Rate

Rick Landers briefed the Board on Senate Bill 564 which included language regarding Economic Development Electric Rates. The rate is an incentive rate intended to attract new industrial customers. BMU feels a similar rate would a useful tool for BMU also. Landers asked the Board for approval to allow the BMU staff to work with the Economic Development Department to develop a draft rate.

A motion was made by Jon Gilmore to approve the request. The motion was seconded by Tim Merideth and the following roll call vote was held, Gilmore, Merideth, Menz, Keenan “Yes”. The motion was approved.

General Manager’s Report

On September 30, 2019 General Manager Rick Landers gave an Annual Report to the Sikeston City Council. In his report he discussed the BMU’s goals, financial status and a summary for the year in all departments. Landers gave a general summary of the current projects and a preview of major future projects.

AMI Presentation – Landers reviewed the AMI presentation he gave to the Sikeston City Council. The presentation included information on meter replacements and the communication network. He also noted the benefits of the AMI system, like system alerts and better leak detection capability.

Current Topics

Fiber Project – Final draft of the agreement should be ready soon.

AMI – Progress on AMI project.

STEM – BMU hosted a meeting on September 17, 2019 with Sikeston R-6 Superintendent Robinson and business / industrial representatives to discuss starting and growing a STEM program in Sikeston. Landers reviewed the meeting.

Union Negotiations – Contract talks between BMU and IBEW Local 702 are ongoing.

Spot Sales – Update on current market.


A motion was made by Alan Keenan to approve the General Manager's Report. The motion was seconded by Jon Gilmore and the following roll call vote was held, Gilmore, Merideth, Menz, Keenan "Yes". The motion was approved.

Executive Session

Chairman Menz cited the need to enter Executive Session. Tim Merideth made a motion to enter Executive Session. The motion was seconded by Alan Keenan and the following roll call vote was held. Merideth, Gilmore, Menz, Keenan "yes". The Board entered Executive Session.

Adjournment

There being no further business Alan Keenan moved to adjourn the meeting. The motion was seconded by Tim Merideth and a roll call vote was held, all yes. The Chairman declared the meeting adjourned


Secretary